

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice PL-188

For: State and County Offices

New CCC-770 ELIG 2008 Eligibility Checklist

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The MIDAS-Lean Six Sigma (LSS) Quick Hit project recommended modifying the existing CCC-770 checklists by removing the “date” and “initial” fields on specific 770 checklists.

The revised checklists provide a solution for reducing the time spent for manually completing the form and the redundancy in completing certain data fields.

The Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246) made changes to payment eligibility, payment limitation, and average AGI provisions for the 2009 and subsequent program years. New forms for information collection and determinations are being used to update 2009 web-based eligibility. Handbook 4-PL provides payment eligibility, payment limitation, and average AGI policy and procedure based on the provisions of the Food Security Act of 1985, as amended by the Food, Conservation, and Energy Act of 2008, and other discretionary changes made by regulation. These changes require a new CCC-770 Eligibility checklist for 2009 and subsequent years. CCC-770 ELIG 2008 is the new checklist.

The original version of the CCC-770 Eligibility still needs to be maintained for programs following rules in effect before the 2008 Farm Bill. A revised version of CCC-770 Eligibility will be provided in a forthcoming 3-PL amendment.

B Purpose

This notice provides:

- CCC-770 ELIG 2008 and authorizes using the form
- instructions for completing CCC-770 ELIG 2008
- instructions for completing the required CED or designee spot-checks
- instructions for completing the required SED or designee spot-checks.

Disposal Date	Distribution
September 1, 2009	State Offices; State Offices relay to County Offices

2 CCC-770 ELIG 2008

A CCC-770 ELIG 2008 Information

CCC-770 ELIG 2008 does not supersede or replace procedure. County Offices should:

- use CCC-770 ELIG 2008 as a reminder of the most frequent errors in determinations and certifications when data-loading the web-based Subsidiary System
- recognize that the questions asked on CCC-770 ELIG 2008 are very general in nature and may not address every conceivable situation pertaining to eligibility.

B Completing CCC-770 ELIG 2008

CCC-770 ELIG 2008 must be completed for every producer who requests a payment or members of entities who are required to meet payment eligibility provisions. If the web-based Subsidiary System is updated, CCC-770 ELIG 2008 shall be on file for the identification number that was updated.

Notes: Members of joint operations or entities that have no other farming interest are not required to have a separate CCC-770 ELIG 2008. For joint operations or entities that have members that have no other farming interest, County Offices shall do either of the following:

- enter the name of **each** member of the joint operation or entity in CCC-770 ELIG 2008, item 14
- print the AGI Entity/Member Report and attach to CCC-770 ELIG 2008. To print the AGI Entity/Member Report, on Subsidiary Main Menu MAD000:
 - ENTER “11”, “Adjusted Gross Income”
 - ENTER “2”, “Print Entity/Member Report”.

2 CCC-770 ELIG 2008 (Continued)

B Completing CCC-770 ELIG 2008 (Continued)

Beside each member **that does not have any other farming interest**, ENTER:

- “Yes” if:
 - CCC-926 has been completed in its entirety and signed by an authorized individual
 - the correct certifications have been entered into the web-based Eligibility System, Adjusted Gross Income Section
- “No” if:
 - CCC-926 has **not** been completed in its entirety and signed by an authorized individual
 - the correct certifications have **not** been entered into the web-based Eligibility System, Adjusted Gross Income Section.

If any member is an embedded entity or joint operation, each embedded member **must** be entered in CCC-770 ELIG 2008, item 14.

CCC-770 ELIG 2008:

- shall be completed every time a new determination or certification is recorded for a producer in 1 of the following fields:
 - “Actively Engaged”
 - “Cash Rent Tenant”
 - “AD-1026”
 - “Adjusted Gross Income – Commodity Program”
 - “Adjusted Gross Income – Direct Payment”
 - “Adjusted Gross Income – Conservation Program”

Note: If only 1 of these fields has a determination or certification updated, then no entry is required in the other fields on CCC-770 ELIG 2008.

Example: A producer files documentation that requires a new actively engaged determination and cash rent tenant rule determination. After the determinations are made and entered into the web-based Subsidiary System, an FSA employee is only required to complete CCC-770 ELIG 2008, items 7a, 7b, 8a, and 8b. All other items should be left blank. Enter any remarks in item 14 to clarify.

2 CCC-770 ELIG 2008 (Continued)

B Completing CCC-770 ELIG 2008 (Continued)

- shall be completed by the recording county
- shall be maintained in the recording county only
- is **mandatory**
- is **not** required for producers who are NRCS customers only.

Note: CCC-770 ELIG 2008 developed by the National Office is the **only** authorized checklist for eligibility. County Offices shall **not** use State- or locally-generated checklists for eligibility.

C CED Spot Checks

CED or their designated representative:

- shall use the State Committee Eligibility Change Report when it becomes available to randomly select spot checks of the updated determination or certification changes
- shall spot check, at a minimum, the following every FY quarter in each Service Center:
 - five CCC-770 ELIG 2008's, if 10 or less CCC-770 ELIG 2008's have been completed
 - ten CCC-770 ELIG 2008's, if 11 through 1,000 CCC-770 ELIG 2008's have been completed
 - twenty CCC-770 ELIG 2008's, if more than 1,000 CCC-770 ELIG 2008's have been completed

- shall spot check every STC and COC member's and/or employee's CCC-770 ELIG 2008

Note: Spot checks of STC, COC, and/or employee are in addition to the 5, 10, or 20 selected in this subparagraph.

- shall check the "Concur" or "Do Not Concur" box, CCC-770 ELIG 2008, item 12A, for the randomly selected updated determination or certification changes
- shall sign and date the CCC-770 ELIG 2008, items 12B and 12C
- shall report to COC and the STC representative any CCC-770 ELIG 2008 that is checked "Do Not Concur"
- are not required to spot check every CCC-770 ELIG 2008 completed in their county.

2 CCC-770 ELIG 2008 (Continued)

D STC or Designee Spot Checks

STC or their designee shall:

- select a minimum of twenty CCC-770 ELIG 2008's to spot check per year
- select a combination of CCC-770 ELIG 2008's that were:
 - spot checked by CED
 - randomly selected, not previously reviewed by CED
- spot check all FSA employee CCC-770 ELIG 2008's

Note: These spot checks are in addition to the minimum of 20.

- check the “Concur” or “Do Not Concur” box, CCC-770 ELIG 2008, item 13A, for the selected determination or certification changes
- sign and date the CCC-770 ELIG 2008, items 13B and 13C
- submit the results of the spot checks to SED, if there are apparent internal control deficiencies

Note: SED's may require additional spot check reviews at their discretion provided SED determines there are apparent internal control deficiencies.

- spot check additional CCC-770 ELIG 2008's, if required by SED.

E National Report

SED's shall submit the National Report in the format provided by the National Office no later than October 31 each year. The report will be compiled as a State summary of the CCC-770 ELIG 2008 completed within the State.

2 CCC-770 ELIG 2008 (Continued)

F Instructions for Completing CCC-770 ELIG 2008

Complete CCC-770 ELIG 2008 according to the following instructions.

Item	Instructions
1	Insert the name of the producer. Note: If this producer is a joint operation that has members with no other farming interest or an entity that has members with no other farming interest, then the preparer shall list all members, including embedded, of the joint operation or entity in item 14. This will serve as CCC-770 ELIG 2008 for those members with no other farming interest.
2	Insert the last 4 digits of the producer's ID number.
3	Insert the applicable State name.
4	Insert the County Office name that is completing CCC-770 ELIG 2008.
5	Insert the applicable subsidiary year (FY).
6	Answer question either "Yes" or "No". If "Yes", then items 7 through 10 must be completed and then signed by a preparer in item 11. If "No", then CCC-770 ELIG 2008 must be completed by the recording county. Requests for CCC-770 ELIG 2008 should be documented on CCC-527, Part C.
7 a	Answer questions about actively engaged determination. If "Yes" cannot be answered, then "No" should be checked.
7 b	Answer "Yes" or "No" about completing entries in the web-based Subsidiary System.
8	Answer questions about cash rent tenant. If "Yes" cannot be answered, then "No" should be checked.
8 b	Answer "Yes" or "No" about completing entries in the web-based Subsidiary System.
9 a	Answer questions about AD-1026. If "Yes" cannot be answered to all 3 questions, then "No" should be checked.
9 b	Answer "Yes" or "No" about completing entries in the web-based Subsidiary System.
10a	Answer questions about adjusted gross income. If "Yes" cannot be answered, then "No" should be checked.
10 b	Answer "Yes" or "No" about completing entries in the web-based Subsidiary System.

2 CCC-770 ELIG 2008 (Continued)

F Instructions for Completing CCC-770 ELIG 2008 (Continued)

Item	Instructions
11A	Any County Office employee who completes items 7 through 10 shall sign as preparer. By signing as preparer, this does not indicate that an employee checked items 7 through 10; only that this employee completed an item.
11B	The County Office employee who signs in item 11A shall date this item with the current date.
12A	When applicable, CED or designated representative shall indicate whether or not they concur with how items 7 through 10 were completed. See subparagraph C for CED spot check procedure.
12B	CED or designated representative who completed item 12A shall sign in this item.
12C	CED or designated representative who signed item 12B shall date this item with the current date.
13A	When applicable, DD shall indicate whether or not they concur with how items 7 through 10 were completed. See subparagraph D for STC spot check procedure.
13B	DD who completed item 13A shall sign in this item.
13C	DD who signed item 13B shall date this item with the current date.
14	For producers who are joint operations or entities and have members that do not have any other farming interest, enter the name of each member of the joint operation or entity. Beside each member with no other farming interest, ENTER "Yes" or "No" to the answers in items 10A and 10B. If the member with no other farming interest has a "Yes" beside their name, then consider that member's CCC-770 Eligibility 2008 Farm Bill complete.

Note: Any person completing CCC-770 ELIG 2008 should complete the form in its entirety. A situation may arise when the preparer or spot checker of CCC-770 ELIG 2008 determines that a question is not relevant to the particular program that needs the web-based Eligibility System to be updated. In those situations, an answer of "NA" would represent a "Not Applicable" response.

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2 CCC-770 ELIG 2008 (Continued)

G Example of CCC-770 ELIG 2008

The following is an example CCC-770 ELIG 2008.

CCC-770 ELIG 2008 (02-19-09)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation		1. Producer Name		2. ID Number (Last 4 Digits)	
ELIGIBILITY CHECKLIST – 2008 FARM BILL		3. State Name		4. County Office Name			
		5. Subsidiary Year					
Office Staff Actions:		Applicable Handbooks		YES	NO	N/A	
6. Does this office serve as the recording county for this producer? If "YES", complete Items 7 through 10 and sign where applicable in Item 11. If "NO", and determinations have not been updated then contact the recording county using a CCC-527.		3-PL, paragraph 22.4 and 2-PL, paragraph 107					
7. Actively Engaged Determination		4-PL, Part 2, Section 6, and Part 4					
a. Have the applicable CCC-902 (E or I), requisite CCC-901 and/or CCC-903 been completed in their entirety and signed by an authorized individual?							
b. Has the correct determination been entered into the actively engaged section of the web based eligibility system?		3-PL, paragraphs 26					
8. Cash Rent Tenant Rule Determination		4-PL, paragraph 91 and subparagraph 207 D					
a. Has the County Committee determined the applicability of the cash rent tenant rule on the CCC-903 and applied the percent of cropland factor if necessary?							
b. Has the correct information been loaded into the cash rent tenant section of the web based eligibility system?		3-PL, paragraph 27					
9. AD-1026 Certification		6-CP, paragraphs 401, 402 and subparagraph 429 C					
a. Have AD-1026s been completed in their entirety for the program applicant and all affiliates with farming interests? Have all AD-1026s been signed by an authorized individual? If there are no affiliates, has "None" been checked on the AD-1026 Item 8?							
b. Has the correct certification been entered into the AD-1026 section of the web based subsidiary files?		3-PL, paragraph 29					
10. Adjusted Gross Income Certification		4-PL, Part 6 1-CM					
a. Has the CCC-926 been completed in its entirety and signed by an authorized individual? Notes: <ul style="list-style-type: none"> For entities, a CCC-926 must be received to reach the individual level. FSA-211s executed after March 18, 2003 must allow execution of "All Actions" or specifically allow execution of "AGI Certification". 							
b. Have the correct certifications been entered into the Adjusted Gross Income section of the web based eligibility system?		3-PL, paragraph 31.5					
Certification							
11A. Signature of Preparer(s)		11B. Date (MM-DD-YYYY)		11A. Signature of Preparer(s)		11B. Date (MM-DD-YYYY)	
12A. I concur/do not concur the above items have been verified and updated.				<input type="checkbox"/> Concur		<input type="checkbox"/> Do Not Concur	
12B. CED Signature for Spotcheck				12C. Date (MM-DD-YYYY)			
13A. I concur/do not concur the above items have been verified and updated.				<input type="checkbox"/> Concur		<input type="checkbox"/> Do Not Concur	
13B. DD Signature for Spotcheck				13C. Date (MM-DD-YYYY)			

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2 CCC-770 ELIG 2008 (Continued)

G Example of CCC-770 ELIG 2008 (Continued)

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14. Remarks:	